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0000102105

ARIZONA CORPORATION
COMMISSION

ORIGINAL

August 31, 2009

CERTIFIED MAIL

Mr. Richard Lockwood
Baca Float Water Company
Post Office Box 1536
Tubac, Arizona 85646

Arizona Corporation Commission
DOCKETED

AUG 31 2009



RE: BACA FLOAT WATER COMPANY – APPLICATION FOR A RATE INCREASE,
DOCKET NO. WS-01678A-09-0376

LETTER OF DEFICIENCY

Dear Mr. Lockwood:

In reference to your rate application received on July 30, 2009, this letter (per section R14-2-103.B.7 of the Arizona Administrative Code) is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103.

Staff has found several deficiencies with your application, which are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the company corrects the deficiencies and Docket Control receives an original and fifteen copies of the corrected pages.

You have 15 calendar days, or until September 15, 2009, to correct the deficiencies or make other arrangements with Staff to remedy your rate application. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

RECEIVED
AUG 31 P 12:40
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Mr. Richard Lockwood
August 31, 2009
Page 2

The Staff person assigned to your application is Darak R. Eaddy. He can be reached at (602) 542-0855, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Scott".

Nancy Scott
Chief Accountant
Financial & Regulatory Analysis Section
Utilities Division

NLS:DRE:tdp

CC: Docket Control Center (fifteen copies)
Lyn Farmer, Hearing Division
Delbert Smith, Engineering
Consumer Services
Legal Division

**Baca Float Water Company
Rate Application
Docket No. WS-01678A-09-0376
Test Year Ended December 31, 2008
List of Deficiencies**

The specific items that have caused a finding of deficiency are as follows:

1. The bill count for 2-inch meters is incomplete. Although the Company provided the number of bills over 100,000 gallons, the Company failed to submit the actual gallons for those bills which is required for all bills over 100,000 gallons. Please resubmit the 2-inch meter bill count with the actual gallons listed for bills over 100,000 gallons.
2. The number of meters served on page 6 does not match the number of customer meters on page 17 of the application package; please reconcile.
3. For plant invoices over \$150 submitted in the application, please indicate on the invoices the plant in service account to which the invoice relates. Alternatively, the Company may provide a summary including the invoice amount, year, and account to which it relates.
4. On the Company's submitted page 11, there were several errors. Staff has listed them separately below. Please reconcile.
 - a. The service line and meter installation charge for the 3-inch meter does not reconcile with Company's current approved charge of \$1,550. Please reconcile
 - b. In the service charges section, the Company lists a \$30 service charge for reconnection (delinquent) after hours. As of this time, the Commission has no record of approving such rate for this service. Please correct and/or reconcile.
 - c. In the service charges section, the Company reflects a current rate of \$100 for deposits. Commission records reflect the deposit should be assessed in compliance with A.A.C. Rule R14-2-403.B.7. Please correct.
 - d. In the service charges section, the Company reflects a current rate of \$0 for deposit interest. Commission records reflect Deposit Interest should be assessed in compliance with A.A.C. Rule R14-2-403.B.3. Please correct.